



February 8, 2013

Mr. Joe Incardine, National Project Manager
Ms. Kathy Depukat, BLM Phoenix District Office
c/o Hassayampa Field Office
21605 N. 7th Avenue
Phoenix, Arizona 85027-2929

Mr. Rem Hawes, Field Manager
BLM Phoenix District Office
Hassayampa Field Office
21605 N. 7th Avenue
Phoenix, Arizona 85027-2929

RE: Draft Environmental Impact Statement for Proposed Sun Valley to Morgan
500/230kV Transmission Line Project and Draft Bradshaw-Harquahala Resource
Management Plan Amendment [Reference 1610 (PO10/9100)]

Dear Mr. Incardine, Ms. Depukat, Mr. Hawes:

I. INTRODUCTION

Diamond Ventures, Inc. ("Diamond Ventures"), the owner of Saddleback Heights, appreciates this opportunity to submit comments on the United States Department of the Interior, Bureau of Land Management's (BLM) Draft Environmental Impact Statement (DEIS) for the Proposed Sun Valley to Morgan 500/230kV Transmission Line Project ("Transmission Line" or "Project"), and the Draft Bradshaw-Harquahala Resource Management Plan (BHRMP) Amendment. Diamond Ventures requests that this comment letter and the attached referenced materials be included as part of the administrative record in this matter.

Saddleback Heights is a master planned community in Peoria, Az. By Peoria City Council adoption of Ordinance No. 02-98, for zoning case Z 02-04, Saddleback Heights was rezoned to a Planned Community District. The 6,052 acre Saddleback Heights' PCD is comprised of 5,296 private acres and 756 acres of State Land. Upon build-out, the Saddleback Heights community is estimated to be home to more than 12,000 residents. It is bounded by State Highway 74 on the north and Carefree Highway and Dove Valley Road alignments on the south. The western boundary is

163rd Sanval Avenue alignment and the eastern boundary is 123rd Avenue, El Mirage Road.

Planned land uses within Saddleback Heights include: Residential Estate, Low Density Residential, Medium Density Residential, Resort Development Overlay, Town Center Overlay/Community Commercial, Mixed Use Development, Public Facilities, Schools, Fire Protection, Law Enforcement, Water, Wastewater, Streets, Public Services, Parks, Active Recreation including Golf Courses, Trails, and Contiguous Open Space. Elevation within Saddleback Heights varies from 1,600' to 2,300', with the majority of the property ranging from 1,800' to 2,100'.

The DEIS arises from an application from the Arizona Public Service (APS) to construct, operate, maintain, and decommission the Project (the "Proposed Action"). The commercial life of the transmission line would be 30 years or longer. The Project would be located on BLM, State Trust, and private lands in Maricopa County, northwest of Phoenix, Arizona and would be within a route certified by the Arizona Corporation Commission (ACC)("ACC Certified Route"). Specifically,

[t]he Proposed Action route follows the CAP canal for approximately two miles, portions which are on BLM land and within an existing BLM designated utility corridor, to approximately the 275th Avenue alignment. The route then turns northwest for approximately two miles following an existing 500kV transmission line. At the Happy Valley Road alignment the route turns north for approximately 4.5 miles, then east for approximately five miles paralleling the Lone Mountain Road alignment to the north. The route then turns north following 235th Avenue for approximately 3.5 miles then east following the Joy Ranch Road alignment, for approximately seven miles until it approaches SR 74. **The route parallels the south side of SR 74 for approximately two miles before crossing and paralleling SR 74 to the north on BLM-managed public land for approximately five miles.** The route again crosses SR 74 to parallel the south side of the highway for approximately three miles, crossing the Agua Fria River. The route then turns south for one mile, and turns east for less than one mile following the Cloud Road alignment to connect to the Morgan Substation.

DEIS, ES § 4.1. (Emphasis added.)

The DEIS identifies as the Agency Preferred Alternative (the "Preferred Alternative") the Proposed Action. Under the Agency Preferred Alternative, BLM would approve a 200-foot wide ROW within the existing designated corridor northeast of the Sun Valley Substation within the ACC Certified Route ("Preferred Alternative Route"). BLM would also amend the BHRMP to: (1) designate a 200-foot wide single-use utility corridor on public lands managed by BLM north of SR 74; (2) designate a multiuse utility corridor on 1,013 acres of public land managed by the BLM south of SR 74 to address potential future BLM management considerations; and (3) change the existing Visual

Resource Management (VRM) Class designations of 2,362 acres north of SR 74 and 1,013 acres south of SR 74 from Class III to Class IV to allow for the newly established corridors.

In addition to the Proposed Action, the DEIS analyzes three Action Alternatives and a No Action Alternative: (1) Alternative 1 – Proposed Action with Additional Corridor; (2) Alternative 2 – ROW South of SR 74; and (3) Alternative 3 – Carefree Highway Route; and Sub-alternative: State Trust Land Route Variation. The residential neighborhoods of the Saddleback Heights Planned Community are somewhat impacted by Alternative 1, and are directly impacted by Alternative 2 and Alternative 3. The No Action Alternative, Alternative 2, Alternative 3 and the Sub-alternative would require the ACC to consider action as provided by A.R.S. § 40-252, (Rescission or amendment of orders by commission; collateral attack on final orders or decisions prohibited.)

Under the No Action Alternative, BLM would not issue a ROW, the BHRMP would not be amended, and the transmission line would not be constructed as described in the Proposed Action or Action Alternatives.

Alternative 1 would be the same route as described in the Proposed Action, but a multiuse utility would be established on BLM-managed lands that would begin at the centerline of SR 74 and extend 0.5 miles north, and include the entire key-shaped block of BLM lands south of SR 74. The BHRMP would also be amended to designate the entire area contained within the multiuse corridor from VRM Class III to VRM Class IV.

Alternative 2 would reduce the amount of BLM lands impacted by the Project and move the line onto private lands. Under Alternative 2, a five-mile long segment that parallels the south side of SR 74 from the 163rd Avenue alignment to west of the El Mirage Road alignment on private land would replace approximately a five-mile long segment of the Proposed Action north of SR 74 on BLM lands. Other than this five-mile long segment, Alternative 2 would follow the Proposed Action route. Alternative 2 would also amend the BHRMP per the Preferred Alternative. DEIS, § 2.5.2., 2-26.

Alternative 3 was designed apparently to eliminate the need to for an amendment to the BHRMPA and to reduce the amount of BLM land that would be impacted by the Project. By doing so, it would move the Project onto private lands planned for residential and commercial land uses. Specifically, it would replace an approximately seven-mile long segment of the Proposed Action route north and south of SR 74 from the 179th Avenue alignment to the Morgan Substation by using the Carefree Highway alignment as set forth in Figure 2.5-1a. Besides the seven-mile long segment, all other segments of Alternative 3 route would remain within the ACC-certified route and would follow the Proposed Action route. No new corridors would be designated on BLM-managed public lands under Alternative 3 and no changes to existing VRM classifications would be necessary. As a result, there would be no need for an amendment to the RHMPA. DEIS, § 2.5.3, 2-28.

The Sub-alternative route would replace a four-mile section of the Proposed Action route common to all Action Alternatives. The Sub-alternative route would begin at the intersection of 235th Avenue and the Cloud Road alignment, just north of US 60. From there, the Sub-alternative would parallel the north side of the Cloud Road alignment, east for three miles to the intersection with 211th Avenue. The Sub-alternative would then parallel the west side of 211th Avenue for one mile north, where it would rejoin the portion of the Proposed Action route that is common to all Action Alternatives at the Joy Ranch Road alignment. Importantly, the entire four-mile length of the Sub-alternative route would be outside the ACC-certificated route. § 2.5.4, 2-29.

As discussed in more detail below, Diamond Ventures supports the Preferred Alternative Route for the Transmission Line because it would: (1) further the national policy of promoting renewable energy and increasing reliability of the electric grid; (2) create jobs; (3) protect private property; (4) be consistent with state and local planning; and (5) promote the multiuse of a BLM designated corridor.¹ Diamond Ventures, however, does not support the amendment of the BHRMP as provided for in the Preferred Alternative because the amendment is not consistent with the ROW application, sufficient rationale and analysis is not included in the DEIS, private property surrounds the 1,013 acres and the DEIS states that there would be a change in management of lands by BLM. Co-location and future development projects could occur in the 1,013 acre multi-use corridor with accompanying impacts to resources. Diamond Ventures' is concerned that certain aspects of the proposed BHRMP amendment are unnecessary and could negatively impact private properties and recreationists, including Saddleback Heights.

Finally, in preparing the FEIS, BLM must correct and/or address a number of discrepancies, inconsistencies, deficiencies, omissions, and errors in the DEIS, which are outlined below. Foremost among them, the FEIS must not characterize reasonably foreseeably development such as Saddleback Heights as "vacant" or "undeveloped" land when considering the environmental impact the transmission line alternatives will have on the fifteen identified resources on private property.

II. THE FEIS SHOULD ADOPT THE PREFERRED ALTERNATIVE ROUTE.

A. The Project is in the Public Interest and Consistent with the National Policy of Promoting Renewable Energy, Creating Jobs, and Protecting Private Property Rights.

1. The Project is in the Public Interest

¹ The BHRMPA defines "designated corridor" as:

BLM's preferred route for placing rights-of-way for utilities (i.e. pipelines and powerlines) and transportation (i.e. highways and railroads).

"A decision approving a right-of-way application must be made upon a reasoned analysis of the factors involved in the right-of-way, with due regard for the public interest." Desert Survivors, 96 IBLA 193, 196 (1987). After an extensive public process and environmental review, the ACC found that "the project is in the public interest because it aids the state in meeting the need for an adequate, economical and reliable supply of electric power." ACC Decision No. 70850 (Mar. 17, 2009) (emphasis added).

The United States Department of Energy ("DOE") also recognized the need for the project in its 2009 National Electric Transmission Congestion Study. DOE's 2006 National Electric Transmission Congestion Study identified the Phoenix-Tucson area as a "Congestion Area of Concern." P. 40. The 2009 DOE study, however, found that the Phoenix-Tucson area is no longer a Congestion Area of Concern. P. 98, Table 5-6. DOE based its conclusions, in part, on APS's Project.

In addition, members of the Arizona congressional delegation have stated that:

[t]he installation of the TS-5 to TS-9 electric transmission line by its scheduled in-service date is essential for the elimination of electric transmission congestion and for furthering the development and conveyance of renewable energy, including the numerous solar energy ROW applications pending on BLM lands. BLM's acceptance of the APS ROW application for this line will address area-wide constraints and restrictions for energy transmission, and the need for enhanced redundancy and reliability. The TS-5 to TS-9 transmission line per the ACC decision will better promote the long-term sustainability of the population and environment in Arizona."

Letter to BLM from United States Representatives Giffords, Franks, and Pastor (Jul. 1, 2010).

As evidenced by the ACC proceedings and the 2009 DOE Study, the Transmission Line is in the public interest because it satisfies a critical energy need in the region. Moreover, the ACC proceedings, themselves, constitute a significant effort of broad community negotiation, compromise and agreement on behalf of a state to identify the public interest. Consequently, the adoption of the Preferred Alternative Route in the FEIS will further the public interest by allowing the Project to proceed.

2. The Preferred Alternative Furthers the National Policy of Promoting Renewable Energy, Creating Jobs, and Protecting Private Property Rights.
 - i. The Project is Necessary for the Development of Renewable Energy in the Southwest.

In 2009 and 2010, the Secretary of the U.S. Department of the Interior stated that "[e]ncouraging the production, development, and delivery of renewable energy is one of the Department's highest priorities." Secretarial Order No. 3285 (2009), Secretarial Order No. 3285A-1 (2010). On January 28, 2010, Secretary Salazar reaffirmed this

policy before the United States Senate Environment and Public Works Committee, testifying that:

Renewable energy development is one of President Obama's highest priorities.

We must recognize that the development of transmission capacity for this new energy production is a crucial element. Developing solar and other renewable energy resources, which are often located in remote areas, will require new transmission capacity to bring this clean energy to the population centers where it is needed.

Solar Energy Technology and Clean Energy Jobs: Hearing Before the S. Comm. on Environment and Public Works, 111th Cong. (2010) (statement of Ken Salazar, Sec. of the Interior) (emphasis added).

The BHRMP itself provides: "[w]henver possible, promote energy transfer efficiency and support alternative energy sources. . . ." See Management Action LR-17. Moreover, Section 211 of the Energy Policy Act encourages the siting of renewable energy projects on public lands. Pub. L. 109-58 (2005).²

The importance of transmission right-of-way approvals on Federal Land was recognized by Congress upon 2005 adoption of the Energy Policy Act. Pursuant to Section 1221(b), Reports to Congress on Corridors and Rights of Way on Federal Lands, of Section 1221, Siting of Interstate Electric Transmission Facilities, in Title XII of the Energy Policy Act of 2005, Public Law 109-58, Congress requested that the Secretaries of Agriculture, Energy, and Interior and the Chairman of the Council of Environmental Quality prepare a report identifying all existing transmission and distribution corridors on Federal Land, the status of work related to proposed transmission and distribution corridor designations under Title V of the FLPMA and any impediments to completing the work, the number of pending applications to locate transmission facilities on Federal land; and the number of existing transmission and distribution rights-of-way on Federal land that will come up for renewal within the next 5, 10 and 15-year periods and how those renewals will be managed.

As noted, the Transmission Line would provide a vital link between the Phoenix metropolitan area and renewable energy projects in Arizona. "The proposed 500-kV portion of the project would strengthen the reliability of the regional 500-kV system and could facilitate delivery of renewable energy resources to load centers, such as the Phoenix metropolitan area." 76 Fed. Reg. 69 (Apr. 11, 2011) (emphasis added). The

² Section 211 provides:

It is the sense of the Congress that the Secretary of the Interior should, before the end of the 10-year period beginning on the date of enactment of this Act, seek to have approved non-hydropower renewable energy projects located on the public lands with a generation capacity of at least 10,000 megawatts of electricity.

Staff Brief in the ACC proceeding also noted that the proposed ROW will "contribute to APS's ability to access renewable energy generation that is anticipated to interconnect through the Palo Verde Hub, thereby facilitating APS' ability to comply with its Renewable Energy Standard requirements." Staff Brief, p. 3.

To be consistent with federal renewable energy policy, the FEIS should reflect the fact that the Project would assist the region in meeting the national policy of providing renewable energy. The FEIS must also evaluate the amount of time and resources each alternative will take to proceed through any State or local permitting processes compared to the Preferred Alternative given the Department of the Interior's interest in expeditiously increasing the amount of renewable energy generation and transmission.

ii. The Project Will Assist in the Creation of Jobs and the Protection of Private Property Rights.

In the recent austere economic times, job creation is essential to the recovery of the national economy, especially areas that were the most hard-hit in the years between 2007 to 2009 such as in the American Southwest. Adopting the Preferred Alternative Route will accelerate the creation of jobs for the region in the construction of the Transmission Line and the potential for development of renewable energy generation sites, facilitating the construction of homes and commercial, retail, office, industrial, civic buildings will create both temporary employment as well as permanent jobs and will generate revenue for the region in fees and taxes. Therefore, the FEIS should consider the positive effect the Transmission Line will have on the local economy and job creation. The FEIS must also consider the reasonably foreseeable timing of those jobs compared to other DEIS alternatives.

In addition, if a high voltage transmission line such as the one associated with the Project is located on private lands as proposed in Alternatives 2 and 3, it will forestall certain phases of the development and adversely impact the assessed value of residential and commercial properties on privately-owned land. To be consistent with national policy, public lands should be used for public purposes such as the production of renewable energy. See P.L. 109-58, § 211. Private land owners should not bear the burden of implementing the Administration's policy when a suitable and designated corridor already exists on public land for the Transmission Line.

Moreover, siting the Transmission Line within the Preferred Alternative Route on public lands would lessen homeowners' concerns regarding the potential public safety and health risks associated with prolonged exposure to a high voltage transmission line. Accordingly, to preserve property values and to avoid any public safety and health fears, the FEIS should adopt the Preferred Alternative Route.

B. To be Consistent with Federal and State Policy Regarding Joint Use Corridors, the FEIS Should Adopt the Preferred Alternative Route.

The Bureau of Land Management 2800 Manual Handbook IM Series Rights-of-Way provides policy, procedures, and guidance for managing ROWs on public land so as to "minimize the proliferation of separate rights-of-way; promote sharing of rights-of-way with respect to engineering and technological compatibility, national security and land use planning; and promote efficiency in granting rights-of-way." § 2801.

Under the BHRMP, BLM is required to "[e]ncourage joint use whenever possible." § 2.3.5.2.2. It further provides that "[t]he designated transportation corridor may be suitable to accommodate more than one type of right-of-way use or facility or one or more right-of-way uses or facilities which are similar, identical, or compatible." § 2.3.5.1, LR-3. BLM's Standard Operating Procedures for Utility and Transportation Corridors provide that "[t]ransportation routes . . . should be co-located with utilities in designated corridors to the maximum degree possible." A.6.2.

With respect to the Transmission Line, the Arizona Department of Transportation ("ADOT"), which has the transportation easement within the Bradshaw-Harquahala Planning Area, indicated that "[b]ased on the information provided, the Department does not see any conflicts with the placement of this line adjacent to our future right-of-way easement needs as identified in the ADOT SR 74 Feasibility Report, Right-of-Way Preservation." Letter from Robert Samour, Deputy State Engineer, ADOT, to BLM (Dec. 7, 2010).

The Preferred Alternative Route is within an existing one-mile wide designated corridor on BLM lands, and ADOT has indicated that the Transmission Line would be a compatible use within its transportation easement. The shared use of the designated corridor with the Transmission Line would also minimize any environmental disturbance associated with the line. Therefore, to be consistent with federal land policy and to minimize any environmental negative impacts associated with the corridor, the FEIS should adopt the Preferred Alternative Route.

The FEIS should also consider the impact each alternative would have on the on the planned uses of SR 74. Indeed, "[t]he Northwest Valley has experienced record growth in recent years and plans for future commercial and residential development of parcels along the SR 74 corridor are already underway. Recognizing the projected growth, funding was included in the Regional Transportation Plan (RTP) for preservation of right of way along SR 74 to meet future projected traffic demands, as well as the construction of passing lanes along some segments of SR 74." See (http://www.azdot.gov/Highways/Valley_Freeways/SR74/Background.asp). See also ADOT SR 74 Feasibility Report (2010). Therefore, the FEIS should consider each alternative's impact on the planned capital improvements, use, and expansion of SR 74.

C. The Preferred Alternative Route Reflects BLM's Regulations, Which Encourage Consensus-Based Management.

For BLM activities subject to NEPA analysis, BLM encourages consensus-based management, from initial scoping to implementation of the bureau decision. 43

C.F.R. § 46.110. "In incorporating consensus-based management in the NEPA process, bureaus should consider any consensus-based alternative(s) put forth by those participating persons, organizations or communities who may be interested in or affected by the proposed action." In addition, ". . . bureaus must be able to show that the reasonable consensus-based alternative, if any, is reflected in the evaluation of the proposed action and discussed in the final decision." Id. "The Responsible Official must, whenever practicable, use a consensus-based management approach to the NEPA process." Id. "If the Responsible Official determines that the consensus-based alternative, if any, is not the preferred alternative, he or she must state the reasons for this determination in the environmental document." Id.

In this case, the ACC has already conducted an extensive review process that properly determined that the Transmission Line should be sited within the existing SR-74 designated corridor. The ACC process was conducted with rigor and extensive participating involving multiple parties. Indeed, as part of the ACC proceedings, 18 separate parties intervened and the Arizona Power Plant and Transmission Line Siting Committee ("Committee") held 16 days of public hearings in 2008, which resulted in 3,600 pages of transcript. Following the Committee process, the ACC held hearings on the Committee's recommendation for three additional days including one day dedicated to public testimony. See Letter from ACC to Mr. Jim Kenna of BLM, dated December 8, 2010.

In addition, ADOT has indicated that the Transmission Line would not pose a conflict for the use of BLM's one-mile wide SR-74 designated corridor. Moreover, there is broad community consensus regarding the ACC Certified Route as evidenced by the adopted and approved land use and infrastructure plans that are compatible with the ACC Certificated Route and APS ROW application. See also Peoria Parties' Appeal Answer to APS's Notice of Appeal and Statement of Reasons for Appeal (July 20, 2010); Letter from Blackstone at Vistancia Community Association to BLM (Dec. 6, 2010); Letter from Vistancia Village Corporation to BLM (Dec. 6, 2010); City of Peoria General Plan, 2010.

Support for the Project in the Proposed Action Alternative has been received from the Arizona Senators and Congressional Representatives, State Agencies, Regional Transportation Planning Organizations, the Solar Industry, Utility Companies and Utility Contractors, Electric Workers' Union, Conservation Organization, Economic Development and Business Membership Organizations, Private Property Owners, Developers, Master-Planned Community Associations, Homebuilders, Cities and Individual Citizens.

Accordingly, the FEIS should give considerable weight to the ACC proceedings and decision as well as the significant community support for the Preferred Alternative Route that has been consistent from 2010 forward. The FEIS should also recognize that any other action is likely to significantly delay the implementation of this line by increasing the needed review time at both the state and local level by essentially restarting the approval processes with entities such as the ACC. Indeed, given the

procedural history of this Project, restarting the process would likely delay the Project by years. *Cf.* A.R.S. §40-252.

D. The Alternatives to the Preferred Alternative Route Would Negatively Impact Saddleback Heights

As noted, Saddleback Heights is a 6,052 acre master-planned community comprised of 5,296 privately owned acres and 756 acres of State Land adjacent to SR 74 in Peoria, Arizona. Saddleback Heights is designed to create a blend of residential, commercial mixed-use and recreational uses that respond to the diverse landforms of the property and create a well-balanced desert community integrated into the north Peoria neighborhoods created by adjacent master-planned communities. The DEIS recognizes that a total of 102.72 acres of land in the Saddleback Heights development would be located within 200 feet of the ROW and that it is a reasonably foreseeable development in the cumulative impact area. See DEIS, Appendix 4B, § 4-104.

Of the alternatives analyzed, the Preferred Alternative Route would have the least negative impact on Saddleback Heights. Indeed, both Alternatives 2 and 3 reduce the amount of BLM-managed public lands that would be impacted by moving the Transmission Line onto private lands planned for residential and commercial development such as Saddleback Heights. See DEIS, §§ 2.5.2. and 2.5.3. Although Alternative 1 would use the same route as the Preferred Alternative, it would establish a multiuse utility corridor on BLM-managed lands that would begin at the centerline of SR 74 and extend 0.5 mile north, and also include the entire block of BLM lands south of SR 74, potentially allowing for uses incompatible with residential and commercial development. Therefore, of the four alternatives, the Preferred Alternative Route is the least impactful to reasonable foreseeable developments such as Saddleback Heights. Consequently, the FEIS should adopt the Preferred Alternative Route.

III. THE PROPOSED BHRMP AMENDMENT IS NOT CONSISTENT WITH THE PROPOSED ACTION AND ASPECTS ARE UNNECESSARY AND COULD IMPACT PRIVATE PROPERTY.

A. The Right of Way Can and Should be Granted without an Amendment to the RMP.

As noted, under the Preferred Alternative, BLM would amend the BHRMP because the DEIS claims that "a utility corridor for the proposed ROW on public land within the certified route approved by the ACC along SR 74 was not established and high-voltage transmission lines crossing public land are required to be within the designated utility corridors under the current RMP. In addition, the VRM Class designation would need to be amended from VRM Class III to VRM Class IV for those public lands where views would be dominated by the transmission line, and thus not meet the current VRM objectives." DEIS, ES 1-2.

An amendment, however, to the BHRMP is unnecessary. The Impact Indicator in the Draft EIS notes that the Proposed Action has *Negligible* conflict with the Authorized Use of the BLM Transportation Corridor. The BHRMP provides: "[t]he Approved RMP may be changed, should conditions warrant, through a plan amendment. A plan amendment may become necessary if major changes are needed or in consideration of a proposal or action that is not in conformance with the plan." § 2.11.7 (emphasis added.) Here, however, the siting of the Transmission Line would not be a "major change" to the use or to BLM's policy. The BHRMP provides that BLM is encouraged to use joint uses of existing corridors and promote renewable energy. The route selected in the Preferred Alternative fits squarely within these directives. Consequently, it would not be a "major change" for the FEIS to adopt the Preferred Alternative. 43 CFR 1610.5-4 provides that resource management plans and supporting components may be changed by a Maintenance Action to reflect minor changes in data and to further refine or document a previously approved decision incorporated in the plan. Corrections and minor clarifications of resource management plans are also recorded by errata.

Moreover, the BHRMP fosters adaptive management by "the presentation of desired future conditions that focus on reaching outcomes rather than identifying inflexible standards and prescriptions that may not be applicable situations." § 2.12.2. The plan further provides that "[w]hen land use plan actions or best management practices are found to ineffective, modifications may occur without amendment of the plan as long as assumptions and impacts disclosed in the analysis remain valid and broad-scale goals and objectives are not changed." *Id.* (emphasis added).

As described above, the Transmission Line is clearly consistent with the BHRMP's broad-based goals and objectives of promoting renewable energy and utilizing existing corridors for joint use. Therefore, no amendment to the plan is necessary. Requiring an amendment to the plan would be applying inflexible standards and prescriptions that should not be applicable to situation such as this where the Transmission Line fits squarely within the plan's goals and objectives.

B. The BHRMP Amendment in the Preferred Alternative Would Negatively Impact Private Property.

The dimensions for the proposed multiuse corridor in the Preferred Alternative are significantly different from the Proposed Action and existing designated corridor along SR74 and are not necessary to evaluate the subject ROW application. Moreover, the designation of 1,013 acres south of the SR74 on BLM land as multiuse and VRM IV allows a number of types of disturbances of BLM lands, including, but not limited to, cell towers and gravel pits, which would negatively impact private property values, including reasonably foreseeable developments such as Saddleback Heights.³

³ The DEIS references Saddleback Heights as a reasonable foreseeable development. See Appendix B and Section, 4.19.11 ("[r]easonably foreseeable projects (including Saddleback Heights) include numerous master planned communities/housing

Notwithstanding the reasonably foreseeable development in the area and the significant negative impact the multi-use designation would have on that development, the DEIS does not include any analysis or justification for such a broad designation. Nor does it provide any methodology for how BLM determined the amount of acreage. It also fails to discuss how the designation would impact neighboring private properties. The DEIS states that the Proposed Action would meet VRM Class objectives on approximately half of the VRM Class III designated lands north of SR74 and approximately 75% of the Class III lands south of SR74. It further states that in the area where the transmission line would dominate the view on BLM management public lands it would not affect the Scenic Quality rating assigned to the Scenic Quality Rating Unit and there would be no effect to the Visual Resources Inventory. The transmission line would reside within a 200' ROW and the DEIS states that impacts are limited to within 200' of the transmission line. For the seven miles of BLM lands north and south of SR74, this would equate to 339 acres of impact. The DEIS does not contain analysis and methodology supporting the decision to change 2,362 acres north of SR74 and 1,021 acres south of SR74.

The DEIS refers to the BLM land south of SR74 as the "key-shaped public land piece". The location and configuration of the parcel and it being surrounded on three sides by private land with reasonably foreseeable development do not support designating the entire BLM parcel and acreage beyond what is needed for the Proposed Action as multi-use corridor.

Therefore, any multiuse designation in the FEIS should be limited to the existing designated corridor. At a minimum, the FEIS must provide the justification and methodology for the designation and analyze how the amendment would impact nearby private property, including reasonable foreseeable development such as Saddleback Heights.

C. If the BHRMP Plan Is Revised, Inconsistencies Should Be Resolved to Reflect National Priorities and to Designate the Preferred Alternative Route for the Transmission Line as a Multiuse Corridor.

1. To the extent that the BHRMP does not adequately reflect the Administration's priority of promoting renewable energy, it should be revised accordingly.

The BHRMP provides that "many decisions are not appropriate at this level of planning and are not included in the ROD, including the decision . . . to change the BLM's obligation to conform to current or future national policy." § 1.4.2. As discussed, the Administration has consistently stated that the promotion of renewable energy is one of its "highest priorities." Secretarial Order at 3. The BHRMP, however, provides some potentially conflicting guidance. Specifically, it states in relevant part that:

developments . . . (and) the Saddleback Heights master planned community includes extensive plans for commercial business and employment, and resort development.").

- all major utilities will be routed through designated corridors. Encourage new rights-of-way within designated corridors to promote the maximum use of existing routes. Encourage joint use whenever possible;
- whenever possible, promote energy transfer efficiency and support alternative energy sources. . . ;
- whenever possible, design or route transmission lines to minimize adverse visual impacts to the surrounding lands and vistas;
- no new utility corridors are designated within this MU;
- Map 9 Utility and Transportation Corridors and Communication Sites, Corridor Allocations legend *re: Utility Corridors*;
- CORRIDOR: See DESIGNATED CORRIDOR *re: Multi-use Corridor, Utility Corridor, Transportation Corridor*;
- Utilities, whether interstate, intrastate or local should be co-located in designated corridors to the maximum degree possible to minimize impacts to BLM administered lands;
- As the Department of Homeland Security continues to carry out its mandate for the physical protection of critical infrastructure and key assets, the designation of utility and transportation corridor location and the planning and maintenance of utilities... and interstate highways that cross BLM administered lands, will be consistent with any directives, policies and procedures that DHS may institute to minimize vulnerabilities to the energy grid.

§ 2.3.5.2.2.

These directives in the BHRMP create a potential inconsistency between the goal of minimizing visual impacts and the Administration's policy of promoting renewable energy. If amended, therefore, the BHRMP should be amended to reflect the Administration's "highest" national priority of promoting renewable energy projects, particularly when they can be located within existing designated corridors.

2. If the RMP is amended, it should be revised to clarify that the designated 1-mile wide corridor, the SR-74 transportation corridor, is a multiuse corridor.

As discussed in detail above, BLM policy expressly encourages the joint use of corridors whenever possible. BHRMP, §. 2.3.5.2.2. Here, there is an existing mile-wide designated corridor, which DOT has confirmed will accommodate the Transmission

Line. Moreover, both the Committee and the ACC approved the siting of the Transmission Line within the SR-74 transportation designated corridor after an extensive public and environmental review. Designating the subject transportation corridor as a multiuse corridor would minimize any environmental impacts while satisfying the national policy of promoting renewable energy. Therefore, if amended, the BHRMP should be revised to designate the existing SR-74 designated corridor as a multiuse corridor that would accommodate the Transmission Line as well as the planned expansion of SR74.

IV. DEFICIENCIES IN THE DEIS MUST BE CORRECTED.

A. The DEIS Improperly Characterizes Reasonably Foreseeable Development as "Vacant and Undeveloped."

In discussing the amount of BLM land that would be crossed/affected by the alternatives, the DEIS focuses on current and existing conditions and describes the private and state lands crossed by the ROW under Action Alternatives 2 and 3 to be predominately "vacant and undeveloped" despite the fact that the Saddleback Heights community is a reasonably foreseeable development. With respect to Alternative 2, the DEIS states that:

a total of 102.72 acres of land in the Saddleback Heights development would be located within 200 feet of the ROW. This includes 8.3 acres of land for community use, 0.22 acres for mixed use, 58.14 acres of residential use and 36.06 for which no use has been yet defined. At the present time, there are no residential structures located within the 200 feet of the proposed transmission line. Therefore, the proximity and price effects on private residential structures . . do not apply under current conditions. The effects would be to undeveloped land.

DEIS, § 4-104.

With respect to Alternative 3, the DEIS provides: "[t]he ROW for Alternative 3 crosses 9.3 miles of private land which predominately vacant and undeveloped. There are eight planned developments within the Study Area that some portion of the ROW would cross", including "Saddleback Heights". DEIS, § 4-106.

Although the DEIS acknowledges that a significant amount of acreage is slated for commercial and residential development⁴ by Saddleback Heights, it treats the land as "vacant or undeveloped". The private land in Peoria impacted by Alternatives 2 and 3 should not be characterized as "vacant and undeveloped". Rather, the private land is planned, approved, permitted, and the commercial and residential development is

⁴ Appendix B to the DEIS specifically lists Saddleback Heights as a reasonable foreseeable project and lists its status as "past, present, and future". (Emphasis added.)

reasonably foreseeable. Moreover, there are significant ongoing investments being made in the development of Saddleback Heights. Accordingly, the FEIS should analyze Saddleback Heights as a reasonably foreseeable development as opposed to "vacant or undeveloped" land.⁵ ES-11. See 40 C.F.R. § 1508.7 (Requires that the DEIS consider "reasonably foreseeable development".)

B. The DEIS Improperly Analyzes the Project's Impacts on Property Values.

The DEIS acknowledges that "[p]roximity of a property to a transmission line could be a significant factor for impacts on property values", but states that "properties beyond 200 feet did not experience any negative price effects." 3.10.7.3, 3-107. Under NEPA, the DEIS must describe the analytical methodology sufficiently so that the reader can understand how the analysis was conducted and why the particular methodology was used. See 40 CFR § 1502.24.

In *Valuation Guidelines for Properties with Electric Transmission Lines*, Kurt C. Kielisch, ASA, IFAS, SRWA, RW-AC states that: "Electric transmission lines do not directly serve electric utility customers: their power is distributed from distribution point to distribution point. Transmission lines wires are not insulated and are bare. His report researched the impact of electric transmission lines including collecting and indexing research studies, published articles and transcripts in order to determine public perception of high voltage transmission lines. His summary report details twelve specific case studies of the impact of electric transmission lines on real estate values. He recounts information from one national study on the perception of power lines on value and marketing time, that states that 83% of real estate appraisers surveyed said that the presence of power lines negatively affected property values. He also cites a study from the Houston area that found that buyers refused to look at properties that adjoined a power line easement and that such properties took much longer to sell. Numerous studies cited in his report showed that land and homes impacted by electric transmission lines had negative impacts to assessed values of greater than 30%. He also reports on one subdivision where the lots abutting the transmission easements were twice the size of non-easement lots. When factoring in the size of lots, the overall loss of value to the project is even greater. Another study showed that a pending 345kV line was the principal reason the buyer gave for a low offer. A Wisconsin sales analysis recounted a transaction on a property with a home appraisal for \$221,000. After installation of a 345kV and 138kV transmission line, as well as the property premises and remodeling of the residence, the home was placed on the market at the revised appraisal of \$179,900. The home sold for \$128,500. The Kielisch report concludes that the actual loss to property value attributable to an electric transmission line depends on

⁵ The DEIS provides for environmental effect to define relative levels of effect intensity and context. It is important to note that the DEIS defines "short-term" effects as "[d]uring construction up to 10 years". Table 4.1-1. The development of Saddleback Heights will take place during this time period. Accordingly, the FEIS should consider the impacts on the alternatives to the Saddleback Heights within this time frame.

numerous factors, but that significant negative effects can be stated with a high degree of certainty.

Here, the DEIS does not describe the methodology used, nor does it discuss what assumptions, including the geographic and temporal scope of the analysis, were made in reaching this conclusion. Accordingly, the FEIS must describe how this conclusion was reached and what assumptions were made in reaching these conclusions. See 40 CFR § 1502.22.

C. The FEIS Should Consider the Impact the Alternatives Will Have on Master Planned Communities.

The DEIS discusses comments made by the Arizona State Land Department (ASLD) concerning master planning. Specifically, ASLD asserted that "master planning is easier with large, self-contained blocks of land where infrastructure can be designed to avoid piece-mealing, open space can be incorporated into the design, and development standards can be amended to take into consideration unusual land forms or constraints." Additionally, ASLD maintains "that the subject block of State Trust Land is a large uninterrupted assemblage of land that lends itself to master planning. Price surveys have shown that raw land prices are higher where the land is within a master planned area versus land outside an area." 2.5.4., 2-30.

It should be noted that two of parcels within Saddleback Heights are State Trust Lands and one of the two, a 159.4 acre parcel of state land, FYP ID 232 is noted as for mid-term disposition in the ASLD 2011 Five Year Plan Database. Accordingly, to the extent that any of the alternatives would result in a piece-mealing of Saddleback Heights, or other reasonably foreseeable developments, the FEIS should consider the impact that any of the alternatives would have on the State Trust Land within Saddleback Heights. The DEIS discusses Alternatives Considered by Eliminated. In several of these alternatives, the conclusion was that the alternative was not environmentally feasible because it interrupted the continuity of portions of a development, be adjacent to a proposed community and be in close proximity to residences. These statements and rationale are also applicable to Alternative 2 and Alternative 3 and provide additional support the Preferred Alternative and the distinctions between the Preferred Alternative and the alternatives that interrupt, bisect, and are adjacent to developing residential neighborhoods.

Moreover, because the same analysis regarding State Land potential master planned communities discussed above applies to reasonably foreseeable development on private lands, the FEIS should also consider the impact the alternatives would have on the nature, make-up and values of neighboring master-planned communities such as Saddleback Heights.

V. THE FOLLOWING STATEMENTS IN THE DEIS SHOULD BE CORRECTED IN THE FEIS.

Below are inconsistencies, discrepancies, deficiencies, omissions, and errors that need to be addressed, corrected, and/or considered in the FEIS.

EXECUTIVE SUMMARY

- The DEIS states that the Proposed Project spans 38 miles on “mostly non-public land”. This is not accurate; the majority of this transmission line spans public land.⁶
- The DEIS suggests that its analysis should assess costs associated with restoration of OHV areas disturbed by construction activities; we would question why the DEIS limits its assessment of this restoration only to OHV areas.
- In addressing the socioeconomic impacts of the Proposed Action and Alternatives, the Executive Summary suggests that its baseline for analyzing the impacts to area property values should be “the already weakened housing market.” In fact, the housing market, especially in the Phoenix Metro area, is on the rebound, and this should be reflected in the DEIS.⁷ Belfiore Real Estate Consulting analysts state that new housing permit activity was up 60% in the Phoenix Metro last year, and overall pricing increased 10% in 2012. The housing market in North Peoria and the real estate Sub-Market statistics for Peoria exceed the regional averages.
- The DEIS Executive Summary states that the analysis under the DEIS should “consider the quality of the lands north of SR74 for conservation management by the BLM as opposed to expanded development into BLM lands.”⁸ We object to this characterization of the transmission line’s placement north of SR74, and believe instead that it represents co-location of transmission with a transportation corridor.
- The DEIS Executive Summary states that “Tribes have expressed concern regarding amending the Bradshaw-Harquahala RMP and impacts to prehistoric sites” but does not make clear which Tribes have submitted.

AIR QUALITY and CLIMATE CHANGE

- The DEIS does not acknowledge that Green House Gas Emissions are reduced by the development of renewable energy resources.
- The DEIS states that particulate effects between the Proposed Action and Alternative Two is “essentially the same, just slightly lower.” However, this conflicts with Tables 4.2-2 and 4.2-7⁹, which show that the Proposed Action’s PM-10 and PM-2.5 levels would be considerably lower than Alternative Two, at 4.33 and 1.08 respectively for the Proposed Action, and 28.6 and 6.1 for

⁶ Page ES-1. In other locations, the DEIS states the opposite – that the line primarily impacts non-public land (see e.g. Page 1-1, 2-31). The DEIS should be harmonized throughout to correctly characterize the nature of the land on which the line would fall.

⁷ See East Valley Tribune, “US Home prices accelerate; largest national gains in Phoenix”, January 29, 2013, which notes a 23% annualized increase for the Phoenix metro.

⁸ DEIS, Page ES-5.

⁹ DEIS, Pages 4-9, 4-17.

Alternative Two. If the Tables are accurate, we respectfully submit that the narrative of the DEIS should be corrected.

- The DEIS lacks any assessment of the positive impacts that the facilitation of solar energy via the construction of the Sun Valley to Morgan transmission line would have on air quality in Maricopa County. This was specifically recognized in the BLM's Restoration Design Energy Project, which acknowledged the estimated 1,700 pounds of CO₂ which would be annually displaced per megawatt-hour of renewable energy produced.¹⁰

CULTURAL RESOURCES

- The impacts of the transmission line placed on the south side of SR74 to Saddleback Heights cultural resources were presented to the ACC during the Line Siting case by Suzanne Griset, PhD Anthropology.
- In evaluating Cultural Resource impacts, the DEIS omits any analysis of impacts on private lands which were considered as part of the underlying ACC case. Similar to the BLM's analysis of impacts to State Lands, impacts to private lands should enhance the DEIS analysis and ultimately direct appropriate use of BLM lands.

LAND USE and RANGE RESOURCES

- The amount of acreage and land uses within Saddleback Heights impacted by the transmission line placement on the south side of SR74 was presented by Ken Abrahams during the ACC Line Siting case and to the BLM by Wendell Pickett, Grey Pickett during the Sun Valley to Morgan Transmission Line Scoping meeting.
- The DEIS quotes the FLPMA regarding protection of resources and public participation, but does not quote the FLPMA regarding minimizing proliferation of separate rights of way and the requirement of utilization of rights-of-way in common to the extent practical.
- The DEIS does not reference the BLM Land Use Planning Handbook H-1601-1, the Department of Energy National Electric Transmission Congestion Study, or the BLM 2800 ROW Manual/Handbook as relevant in the section referencing Federal Law, Ordinance, Regulation and Standard.
- The DEIS does not acknowledge that the Land Use and Realty provisions of the Castle Hot Springs Management Unit may need to be amended as would several Record of Decision maps.
- The DEIS does not include the ACC Biennial Transmission Assessments, or the Arizona State Land Department 5-Year Disposition Plan as relevant State Plans.
- The DEIS would be improved by including relevant policy provisions, tables and maps of the City of Peoria's General Plan.
- The DEIS uses specific terminology consistent with many of the disciplines associated with the resources analyzed. However, the DEIS shows a lack of

¹⁰ Bureau of Land Management, Arizona Restoration Design Energy Project, Final Environmental Impact Statement, October 2012, Page 5-11.

knowledge of real estate industry standards; different sections of the DEIS use inconsistent and undefined terms when discussing real estate. This limits the ability to assess impacts. Examples of undefined terms include: 'Low to medium density', 'conceptual residential subdivisions' 'very little' commercial development occurs in the Study Area, 'weakened housing market', etc.

- Utilities should include water, sewer, road, communications, natural gas and rail in addition to electricity. Existing utilities which are identified in the ADOT ROW Preservation Study as crossing SR74 should be noted.
- The DEIS does not address Reasonably Foreseeable Actions in Affected Environment or through the majority of Environmental Consequences. Reasonably Foreseeable Actions, specifically the master planned developments in Peoria should be acknowledged early and throughout the DEIS.
- The map which reflects existing land uses shows no private land within the entire map.
- The DEIS does not properly contextualize the scope of impacts to BLM property. It states that impacts to private property would be "proportionately small" while not noting the even more de minimis impacts to total BLM acreage.¹¹

PUBLIC HEALTH and SAFETY

- Saddleback Heights and other master-planned communities are not identified as Nearby Residential Communities in the Ambient Noise Sources table
- The DEIS conclusion does not recognize the conflicting studies quoted in the DEIS. It does not reconcile the British Medical Journal Study which concluded that children living within 200 meters or 600 feet were at an increased risk of childhood leukemia and that children living within 600 meters, 1,800 feet were statistically more likely to have leukemia than those living farther away from power lines with the NIEHS expert group with concluded that research assessing the health effects of exposure to EMFs emitted from transmission lines was not sufficient to establish a definitive cause and effect relationship.

RECREATION and SPECIAL DESIGNATIONS

- The DEIS addresses recreational acreage lost, omits the additional recreational amenities and acreage of proposed trails, parks and natural open space gained within the master-planned communities in Peoria.
- The DEIS omits the golf course amenities within the Saddleback Heights master planned community.
- The DEIS states that the primary recreational use within the Study Area is OHV recreation. The DEIS does not address hiking, boating, camping, organized youth leagues, team sports associated with K-12 and college education, or golf; all recreational activities within the Study Area supported by residents in master-planned communities.

¹¹ When compared to total BLM acreage, resulting impacts to total BLM acreage would be far less than one percent, at 0.000014% of total BLM Acreage in Arizona and 0.00019% of total acreage in the BHRMP.

- The DEIS does not acknowledge recreational development within master plans as reasonably foreseeable development.
- The map which indicates recreational land use does not include state or private land recreational uses.

SOCIOECONOMICS and ENVIRONMENTAL JUSTICE

- The DEIS incorrectly states that "No effect on housing in the Study Area expected" for all alternatives and disregards the ongoing development activity impacted by Alternative 2 and Alternative 3.
- The DEIS incorrectly states that "No houses within 200' of ROW; therefore proximity and price effects do not apply...land within 200' of the ROW within planned developments could be reduced up to five %"
- Section 4.10.1.2 appears in conflict with Section 3.10.7.3, as it concludes that identified impacts to property values with structures were inapplicable to vacant, undeveloped and agricultural land, identifying a value impact of zero to 5 percent. The modest value impacts identified are at odds with the negative range of 5 to 36 percent and average negative impact of 20 percent identified in Section 3.10.7.3.
- When the DEIS states that new tax revenues for the alternatives would be the same as the proposed action, the DEIS does appropriately acknowledge that the Proposed Alternative has greater potential for private, developed land to contribute application and development fees, connection fees, primary and secondary property taxes and sales taxes that would be associated with the unconstrained development of commercial and residential property on private land within master planned communities. Alternative 2 and Alternative 3 would result in development delays and reductions in assessed valuations. Each year, property taxes paid by land, commercial and residential properties support a variety of essential public health and safety services as well as quality of life components. Some recipients of primary and secondary property taxes include: City of Peoria, Voter-Approved Bonds, Peoria Unified School District, Peoria Unified School District Bonds, Peoria Unified School District Overrides, Community College District, Community College District Bonds, State Equalization Tax, West Mec, General County Fund, Flood Control District of Maricopa County, Central Arizona Water Conservation District, Fire District Assistance, Library District and Maricopa Special Health District
- The DEIS states that Alternative 3 crosses 255.43 acres of private land with an estimated value of \$11.0 and that these lands generate \$909,151 million in property tax revenue. This number should be corrected.
- The DEIS is inconsistent in stating the area of direct negative impact of the transmission line. In some places, the effect is stated to be 200' from the transmission line. In other places, the effect is stated to be 200' from the ROW. If the transmission line is not located in the middle of the ROW, the DEIS infers that the area of impact could be 600'.
- The DEIS states the process should consider . . . the appropriateness of amending the RMP in such a way that would benefit developers. . ." This

language reflects a negative bias against developers and is inappropriate. Therefore, it should be removed.

- The DEIS does not address the potential impacts of 1,013 Multi-use Corridor designation on the BLM land south of SR74 to market and non-market values.
- The DEIS emphasizes the economic values associated with grazing leases and OHV activity. The high net economic values associated with Off Highway Vehicle Recreation is stated as \$68 per OHV trip. The DEIS goes further to state that 20% of the population in Arizona participates in OHV. There is no data provided to substantiate such a large assumption.
- The DEIS acknowledges that Finance, Insurance and Real Estate accounted for more than 30% of the earnings and employment. The economic contributions, earnings and employment associated with commercial and residential development anticipated within Saddleback Heights and other master-planned communities receives less attention than OHV and grazing.
- The solar and renewable energy sector of the economy and employment and financial contributions to the Arizona economy are not described in the text of the DEIS. Given the importance of renewable energy and the need for renewable energy transmission the DEIS should address this more completely. While the appendix lists some planned solar projects, it does not mention the entirety of planned solar generation projects in central Arizona.
- The Housing Values stated in the DEIS do not reflect the 2010-2012 trends in Phoenix and do not recognize the North Central / Peoria Sub-Market where values are higher than average for the overall region.
- The maximum annual tax income generated from private properties is understated and does not reflect home prices in Peoria or anticipated housing demand within the reasonably foreseeable developments.
- In Alternative 2 and Alternative 3, the DEIS does not include or analyze the impacts of a 40-252 re-evaluation of the ACC Decision and potential new Line-Siting case.
- It should be noted that in 2010, a public record shows a price paid for vacant ROW land at \$234,700 per acre.

TRANSPORTATION and TRAFFIC

- In addition to ADOT's planned expansion of SR74, MAG, Maricopa County, and Peoria have planned local and regional roadways within the vicinity. The DEIS does not identify these planned roadway locations and the changes in traffic volume and dispersal that will occur.
- The DEIS addresses upgrades, but does not address the new interchanges to be constructed with the widening of SR74 and the impact new intersections and interchanges will have on commercial development.
- The description of the BNSF rail line describes with specificity current activity and volume and future projections and potential growth with anticipated volumes as well as the components of the Surprise Logistics Center. The projections and potential growth of Saddleback Heights, Vistancia and Lake Pleasant Heights do not receive similar treatment in the DEIS.

VISUAL RESOURCES

- Saddleback Heights presented an analysis of the visual impacts of the transmission line on the south side of SR74 during the ACC Line Siting by Gary Rich, M.S. Engineering.
- The DEIS acknowledges that micro-siting will assist in minimizing impacts, and that micro-siting has not been completed. Any stated conclusions in the DEIS should also state that micro-siting should further reduce impacts.
- The DEIS quotes the Kroll and Priestly 1991 study which minimizes the effects of visual and health concerns of transmission lines, without providing the same level of detail in the DEIS text or from more recent studies which reach emphasize significant effects.
- The DEIS appears to summarize numerous studies and makes a conclusive statement that properties 50 to 200 feet from the transmission line experienced small negative price effects and the properties beyond 200 feet did not experience any negative price effects. It further states this effect may not be as relevant to rural locations, such as the Project Area. The DEIS should not reach a conclusion regarding the geographic range of impacts or the effect of visibility of a transmission line has on land, commercial and residential properties of varying types. The DEIS should acknowledge the site specific nature and the many factors that influence the range and degree of impacts of electric transmission lines on property values.
- The DEIS analysis omits future residents of planned developments as sensitive viewers in the KOP analysis. Visual impacts from several of the Key Observation Points should include future residents of developments such as Saddleback Heights, Vistancia and Saddleback Heights as sensitive viewers.
- The DEIS description of the BLM land south of SR74 which states "the vegetation is similar to the vegetation on BLM land north of SR74, but the terrain is less hilly and more rolling for about 1.5 miles" does not acknowledge the topography and elevation of BLM land adjacent to SR74, or the prominent butte that is mentioned as the most prominent landform along SR74 in the Study Area.
- The DEIS does not propose any mitigation for impacts to socio-economic resources. Mitigation proposed under Alternative 2 and Alternative 3 should be greater than the mitigation associated with the Proposed Action. Mitigation on private developed land should be consistent with the ROW being adjacent to permanently occupied homes and businesses rather than vacant BLM land with intermittent recreationists.
- The most detailed description of the Saddleback Heights Specific Area Plan occurs in the Visual Resources Focus Area. The DEIS is inconsistent and states that the areas where the structures would be visible would be very similar under the Proposed Action and Alternative 2. It goes on to state that under Alternative 2, when the structures would be on the south side of SR 74, they would appear larger in the landscape than under the Proposed Action. Within and estimated 800' of the transmission line the structures would dominate the views.

WILDLIFE RESOURCES

- Saddleback Heights presented a biological evaluation of the impacts of the transmission line on the south side of SR 74 during the ACC Line Siting by Eleanor Gladding, M.S. Biology.
- The DEIS states loss of habitat associated with the transmission line, without acknowledging that the BHRMP has conceded a 1-mile designated corridor which may be disturbed for SR74 expansion.

GENERAL COMMENTS

- **Failure to Reflect Comments Made During Scoping:** Many of the comments and specific reports provided during the scoping process, are not discussed or included in the DEIS, including comments submitted by: (a) Chuck Gray of ORANGE regarding private property rights; (b) Rob Wanless of SOLON Corps regarding the importance of electric transmission lines to the Arizona solar industry (c) Steve Burg of the City of Peoria concerning the Project's impacts to the Peoria General Plan (d) Charlie Bowles of Southern AZ Home Builders concerning impacts of electric transmission lines on residential real estate communities and (e) Wendell Pickett of Saddleback Heights concerning impacts south of SR74; and (f) Congressman Franks' comments relating to homeland security and Electromagnetic Pulse threats to national security. These comments should be addressed and considered in the FEIS.
- **Scoping:** The FEIS should clarify what the distinction between what was derived for inclusion in the document from "internal" and "external" scoping.
- **Terminology and Definitions:** Text covering the same topic in different sections uses different terminology. Specifically the terms corridor, right-of-way, route, transmission line are used differently. Impacts to properties adjacent are difficult to determine when there is a lack of location specificity and vague terminology.
- **Natural and Built Environment:** The grade changes, topography, and different elevations are not incorporated into analysis of impacts or integrated with the existing and reasonably foreseeable development actions.
- **Incomplete Project History:** The DEIS project history is incomplete. As such, the FEIS should discuss BLM's administrative proceedings relating to APS's ROW application and the ACC proceedings relating to the same.
- **Coordination not discussed:** The DEIS fails to discuss the impact that clearing and grading in section 2.4.2.4 could have on private land, nor does it discuss the need for coordination with private land owners. As such, the FEIS should address these issues.
- **Study Areas:** The study areas for each resource are different and no explanation is given for this. This makes determination of aggregate impacts difficult to reconcile.

VI. CONCLUSION

As discussed above, the Project - as contemplated by the Preferred Alternative - will assist the region in meeting the national policy of promoting renewable energy, while protecting private property rights. The Preferred Alternative will also promote BLM's policy of siting utility corridors within existing transportation corridors. Accordingly, the FEIS should adopt the Preferred Alternative and proceed to expeditiously approve the right of way request.

Given the consistency of the Transmission Line with the overall goals of the Agency and the BHRMP, the plan does not need to be amended. If, however, the plan is amended, it should be clarified to reflect the Administration's "highest priority" of promoting renewable energy and designate the SR-74 as a multi-use corridor. That said, it should not be amended as proposed, but should only designate as multi-use and VRM IV those lands necessary to accommodate the Project / Proposed Action and not the entire 1,013 acres of public land managed by the BLM south of SR 74 because of the unknown and potentially negative impacts it would have on neighboring private property, including reasonably foreseeable development.

Finally, BLM should address in the FEIS the discrepancies, inconsistencies, deficiencies, omissions, and errors, including those raised in this letter.

Diamond Ventures, Inc. as owners of Saddleback Heights Master-Planned Community appreciate the opportunity to provide comments on the Draft Environmental Impact Statement for the Sun Valley to Morgan Transmission Line Project and the Draft Bradshaw Harquahala Resource Management Plan Amendment.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'David Goldstein', with a long horizontal flourish extending to the right.

David Goldstein, President